



DEFENSE TECHNOLOGY SECURITY ADMINISTRATION

2900 DEFENSE PENTAGON
WASHINGTON, DC 20301-2900

APR 12 2006

Mr. Larry M. Wortzel
Chairman
U.S.-China Economic and Security Review Commission
444 North Capitol Street, NW
Suite 602
Washington, D.C. 20001

Dear Chairman Wortzel:

Thank you again for the opportunity to address the U.S.-China Economic and Security Review Commission on March 17, 2006 to provide the Department of Defense perspective on the export control process and the implications of the export of defense-related and dual-use articles on China's military modernization.

At the conclusion of my remarks, you requested additional information on the license for an inertial reference system used in railway track curvature measurements that I indicated DoD had recommended for approval. I stand corrected and would appreciate your conveying to the other members of the U.S.-China Commission that DoD did not in fact approve such a system for export to China. Rather, in 2005, DTSA was in the process of reviewing a license for a Technical Assistance Agreement (TAA) that would permit a U.S. company to replace the inertial package of a Railway Geometry Measurement System already in use by China's Ministry of Railroads. As you know, DTSA does not have statutory authority to approve export licenses; rather, we provide recommended positions to State and Commerce with respect to licenses as they apply to the U.S. Munitions and Commerce Controlled Lists – respectively. In this particular case, at the Department of State's request, DTSA returned the TAA without action.

I would welcome the opportunity to discuss this issue in greater detail either in person or via telephone as your schedule permits.

Sincerely,

Beth M. McCormick
Director (Acting),
Defense Technology
Security Administration